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GOVERNMENT - STATE

SENATE BILL 22-206

BY SENATOR(S) Fenberg, Bridges, Buckner, Danielson, Donovan, Fields, Ginal, Gonzales, Hansen, Hinrichsen, Jaquez Lewis, Kolker, Lee, Moreno, Pettersen, Story, Winter, Zenzinger;

also REPRESENTATIVE(S) Amabile, Bacon, Benavidez, Bernett, Bird, Boesenecker, Caraveo, Cutter, Daugherty, Exum, Froelich, Gonzales-Gutierrez, Gray, Herod, Hooton, Jodeh, Kipp, Lindsay, Lontine, McCluskie, McCormick, McLachlan, Michaelson Jenet, Ortiz, Ricks, Roberts, Sirota, Snyder, Titone, Valdez A., Valdez D.

AN ACT

CONCERNING RESOURCES FOR DISASTER PREPAREDNESS AND RECOVERY, AND, IN CONNECTION THEREWITH, CREATING THE DISASTER RESILIENCE REBUILDING PROGRAM, THE SUSTAINABLE REBUILDING PROGRAM, THE OFFICE OF CLIMATE PREPAREDNESS, AND MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

- (a) In recent years, hundreds of Colorado residents have lost their homes and businesses to wildfires, floods, and other disasters across the state;
- (b) Many homeowners and owners of residential rental property affected by wildfires or floods do not have adequate resources to rebuild in the face of their loss, and may need hundreds of thousands of dollars to rebuild a home similar to what they lost;
- (c) Local business owners similarly face destruction of their property, as well as interruptions to their business and resulting losses in revenue;
- (d) Local governments are also negatively affected by natural disasters, both directly through damage to public infrastructure and indirectly due to decreased property values, lowered tax revenues, and increased work load in responding to the disaster and to the needs of community members and residents working to recover;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

- (e) Rebuilding homes, businesses, and infrastructure in the wake of wildfires, floods, and other disasters is essential to sustaining the communities affected by the disaster, as well as to the recovery of the local and state economies that depend on those homeowners and businesses;
- (f) Creating a disaster resilience rebuilding program to help homeowners, businesses, local governments, and communities rebuild after natural disasters will help local communities and the state recover from the devastating physical and economic effects of disasters and serves an important and discrete public purpose; and
- (g) Supporting the physical and economic recovery of local communities and the state is the primary purpose of the disaster resilience rebuilding program and outweighs any benefit to private individuals or entities.
 - (2) The general assembly further finds and declares that:
- (a) The need to rebuild homes and business structures after a disaster also presents an opportunity to build homes and structures that meet high performance building standards adopted by local communities and voluntary sustainable building elements that exceed local code requirements, including by incorporating fire-resistant building materials, high-efficiency equipment and materials, and renewable energy and battery storage technologies;
- (b) Ensuring that homeowners and owners of residential rental property can rebuild their homes as energy efficient and resilient structures will lower utility costs for homeowners, residents, and businesses, reduce greenhouse gas emissions, and produce healthier, safer, and more resilient homes and businesses;
- (c) Creating a sustainable rebuilding program to provide grants and loans to homeowners, owners of rental housing, mobile home parks, and businesses seeking to rebuild or rehabilitate from a wildfire or other disaster will help local communities and the state recover from the devastating effects of the disaster while also providing public health and environmental benefits to local communities and the state;
- (d) By supporting the state and local communities in recovering from wildfires and other disasters and promoting the public health and environmental goals associated with high performance and resilient buildings, a sustainable rebuilding program serves an important and discrete public purpose; and
- (e) Supporting the recovery of local communities and the state from wildfires and other disasters and promoting the public health and environmental benefits of high efficiency and resilient building is the primary purpose of the program and outweighs any benefit to private individuals or entities.

SECTION 2. In Colorado Revised Statutes, **add** 24-32-134 as follows:

24-32-134. Disaster resilience rebuilding program - fund - creation - policies - report - definitions. (1) As used in this section, unless the context otherwise requires:

- (a) "Administrator" means an entity or entities that the division contracts with pursuant to subsection (2)(b) of this section to administer the program.
- (b) "Declared disaster" means a disaster emergency declared by the governor pursuant to section 24-33.5-704 (4) in or after 2018 that resulted in widespread or severe damage or loss of property or infrastructure as determined pursuant to policies adopted by the division pursuant to subsection (4) of this section.
 - (c) "ELIGIBLE APPLICANT" MEANS:
- (I) A PERSON WHO OWNS OR RENTS A HOME THAT IS THE PERSON'S PRIMARY RESIDENCE, INCLUDING AN APARTMENT OR A MODULAR, MANUFACTURED, OR MOBILE HOME, THAT WAS AFFECTED BY A DECLARED DISASTER AND MEETS ELIGIBILITY CRITERIA ESTABLISHED BY POLICIES ADOPTED PURSUANT TO SUBSECTION (5) OF THIS SECTION;
- (II) A PERSON WHO OWNS RENTAL HOUSING, INCLUDING A MODULAR, MANUFACTURED, OR MOBILE HOME, THAT WAS AFFECTED BY A DECLARED DISASTER AND MEETS ELIGIBILITY CRITERIA ESTABLISHED BY POLICIES ADOPTED PURSUANT TO SUBSECTION (4) OF THIS SECTION;
- (III) A BUSINESS THAT OWNS REAL OR PERSONAL PROPERTY THAT WAS AFFECTED BY A DECLARED DISASTER OR EXPERIENCED AN INTERRUPTION OR LOSS OF BUSINESS DUE TO A DECLARED DISASTER AND MEETS ELIGIBILITY CRITERIA ESTABLISHED BY POLICIES ADOPTED PURSUANT TO SUBSECTION (4) OF THIS SECTION;
- (IV) A housing authority created pursuant to part 2 or part 5 of article 4 of title 29 or a low-income housing tax credit partnership that serves an area affected by a declared disaster;
- (V) A COLORADO NONPROFIT CORPORATION THAT PROVIDES CONSTRUCTION ASSISTANCE TO LOW-INCOME HOUSEHOLDS AND MEETS ELIGIBILITY CRITERIA ESTABLISHED BY POLICIES ADOPTED PURSUANT TO SUBSECTION (4) OF THIS SECTION; OR
- (VI) A GOVERNMENTAL ENTITY WITH JURISDICTION IN AN AREA AFFECTED BY A DECLARED DISASTER.
- (d) "Fund" means the disaster resilience rebuilding program fund created in subsection (7) of this section.
- (e) "Governmental entity" means any authority, county, municipality, city and county, district, or other political subdivision of the state; any tribal government with jurisdiction in Colorado; and any institution, department, agency, or authority of any of the foregoing.
- (f) "Program" means the disaster resilience rebuilding program created in subsection (2) of this section.

- (2) (a) THE DIVISION SHALL ESTABLISH THE DISASTER RESILIENCE REBUILDING PROGRAM AS A LOAN AND GRANT PROGRAM IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION AND THE POLICIES ESTABLISHED BY THE DIVISION. THE PROGRAM MAY PROVIDE LOANS AND GRANTS FROM THE FUND TO ELIGIBLE APPLICANTS SEEKING ASSISTANCE AS THEY REBUILD THEIR COMMUNITY AFTER A DECLARED DISASTER.
- (b) The division may contract with or provide a grant to a governmental entity, housing authority, Colorado-based nonprofit organization, business nonprofit organization, bank, nondepository community development financial institution, or business development corporation or other entity as determined by the division to administer the program. If the division contracts with an entity or entities to administer the program, the division shall use an open and competitive process pursuant to the state procurement code, articles 101 to 112 of this title 24, to select the entity or entities. A contract with an administrator may include an administration fee established by the division at an amount reasonably calculated to cover the ongoing administrative costs of the division in overseeing the program. The division may advance money to an entity under a contract in preparation for issuing loans and grants and administering the program.
- (3) A CONTRACT WITH AN ADMINISTRATOR MAY REQUIRE THE ADMINISTRATOR TO REPAY ALL LENDING CAPITAL THAT IS NOT COMMITTED TO LOANS OR GRANTS UNDER THE PROGRAM AND ALL PRINCIPAL AND INTEREST THAT IS REPAID BY BORROWERS UNDER THE PROGRAM AT THE END OF THE CONTRACT PERIOD IF, IN THE JUDGMENT OF THE DIVISION, THE ADMINISTRATOR HAS NOT PERFORMED SUCCESSFULLY UNDER THE TERMS OF THE CONTRACT. THE DIVISION MAY REDEPLOY MONEY REPAID UNDER THIS SUBSECTION (3) AS GRANTS OR LOANS UNDER THE PROGRAM OR THROUGH ANOTHER ADMINISTRATOR.
- (4) THE DIVISION SHALL ESTABLISH AND PUBLICIZE POLICIES FOR THE PROGRAM. AT A MINIMUM, THE POLICIES MUST ADDRESS:
- (a) Coordination with the office of emergency management created in section 24-33.5-705 to prioritize the use of the disaster emergency fund created in section 34-33.5-706 for the allowable uses of loans and grants under the program that are not housing related;
- (b) The process and any deadlines for applying for and receiving a loan or grant under the program, including the information and documentation required for the application;
 - (c) ELIGIBILITY CRITERIA FOR APPLICANTS TO THE PROGRAM;
 - (d) Maximum assistance levels for loans and grants;
 - (e) Loan terms, including interest rates and repayment terms;
- (f) Any additional specifications or criteria for the uses of the grant or loan money allowed by subsection (5) of this section;

- (g) Any reporting requirements for recipients, which must include the demographic data of each recipient aggregated by race, ethnicity, disability status, and income level;
- (h) Any program fees, including any application fee or origination fee, and closing costs;
 - (i) Underwriting and risk management policies;
- (j) Any requirements for applicants to apply for or exhaust other sources of assistance or reimbursement to be eligible for a loan or grant under the program. If the policies establish such a requirement, the policies must specify to which applicants the requirement applies, which sources must be applied for and denied or exhausted, and what documentation is necessary to establish the applicant has met the requirement.
- (k) EQUITABLE COMMUNITY OUTREACH AND EQUITABLE ACCESS TO PROGRAM INFORMATION, INCLUDING COMMUNICATIONS IN THE RELEVANT LANGUAGES OF THE COMMUNITY AND EQUITABLE HEARING, SIGHT, AND PHYSICAL ACCESSIBILITY; AND
 - (1) ANY ADDITIONAL POLICIES NECESSARY TO ADMINISTER THE PROGRAM.
- (5) The program may provide loans or grants or a combination of both to eligible applicants. In reviewing applications and awarding grants, the division shall give priority to eligible applicants who demonstrate that their needs cannot be met by other sources of assistance. Loans or grants may be used to:
- (a) Subsidize costs to repair or rebuild a homeowner's primary residence that are insufficiently covered by the homeowner's insurance or by loans, grants, or other assistance available from the federal emergency management agency, the federal small business administration, or other state or federal assistance programs. Costs that may be covered include, but are not limited to:
- (I) Direct costs of repairs or reconstruction of a damaged or destroyed primary residence, including costs to rebuild to advanced fire and other natural hazard mitigation standards;
- (II) SOFT COSTS SUCH AS ARCHITECTURAL AND ENGINEERING COSTS AND PERMITTING FEES ASSOCIATED WITH REPAIRING OR REBUILDING A PRIMARY RESIDENCE;
 - (III) SOIL SAMPLING AND AIR QUALITY MONITORING;
- (IV) CLEARANCE AND DEMOLITION COSTS, INCLUDING CONCRETE FLAT WORK REMOVAL AND REMOVAL OF HAZARDOUS MATERIAL, INCLUDING ASBESTOS;
- (V) PRIVATE ROAD OR BRIDGE REPAIR IF NECESSARY TO ACCESS A PRIMARY RESIDENCE;

- (VI) COSTS ASSOCIATED WITH USING BUILDING AND SITE DESIGN MEASURES THAT REDUCE RISK TO NATURAL HAZARDS, INCLUDING FIRE RESISTANT BUILDING MATERIALS AND LANDSCAPE DESIGN;
 - (VII) COSTS TO REPLANT CLIMATE READY TREES AND VEGETATION;
- (VIII) TEMPORARY RENTAL ASSISTANCE DURING RELOCATION OR REBUILDING OR RECOVERY WORK; AND
- (IX) Other recovery costs not covered by other sources that will increase resilience to future disasters;
- (b) Repair or reconstruct housing stock in an area that is affected by a declared disaster and is experiencing a shortage of adequate housing or has a significant number of affected households. The program may provide a grant or loan under this subsection (5)(b) to:
- (I) A HOUSING AUTHORITY OR LOW-INCOME HOUSING TAX CREDIT PARTNERSHIP TO FUND THE REPLACEMENT OR REPAIR OF MULTI-FAMILY HOUSING IN AN AREA AFFECTED BY A DECLARED DISASTER;
- (II) A NONPROFIT CORPORATION TO PROVIDE CONSTRUCTION ASSISTANCE TO LOW-INCOME HOUSEHOLDS IN AN AREA AFFECTED BY A DECLARED DISASTER;
- (III) A PERSON WHO OWNS RENTAL HOUSING AND REQUIRES ADDITIONAL RESOURCES TO REBUILD OR REPAIR THE RENTAL HOUSING. A LOAN OR GRANT MADE PURSUANT TO THIS SUBSECTION (5)(b)(III) MUST INCLUDE PROVISIONS REQUIRING THE RECIPIENT TO PROVIDE AFFORDABLE RENT FOR THE RENTAL HOUSING FOLLOWING THE REPAIR OR RECONSTRUCTION AND TEMPORARY RENTAL ASSISTANCE FOR DISPLACED RENTERS, AS DETERMINED BY THE DIVISION.
- (c) Provide operating capital to a business experiencing a business interruption or cover the costs of replacing or repairing the business's real property, equipment, or inventory that was lost or damaged in the disaster:
- (d) Rebuild neighborhoods or portions of neighborhoods in a manner that serves as a pilot project for advanced community planning to resist the impacts of natural disasters caused by climate change or reduce actions that contribute to climate change, including but not limited to micro-grids, community battery storage, community district heating or geothermal heating systems, or wildfire resilient land use planning strategies;
- (e) Reimburse a governmental entity for any unmet needs associated with a declared disaster that are not covered by public assistance from the federal emergency management agency or other state or federal assistance, including assistance provided pursuant to section 24-33.5-704 (7)(j). Unmet needs that may be covered include, but are not limited to:
 - (I) REBUILDING OR REPAIRING TRANSPORTATION INFRASTRUCTURE;

- (II) HEALTH AND SAFETY IMPROVEMENTS OR INVESTMENTS RELATED TO DISASTER RECOVERY AND RESILIENCY; OR
- (III) REPLACEMENT OF LOST REVENUE FROM SALES TAXES, PROPERTY TAXES, PUBLIC UTILITY OR SERVICE FEES, OR OTHER REVENUE SOURCES THAT WERE NEGATIVELY AFFECTED BY A DECLARED DISASTER; OR
- (f) Assist eligible applicants in addressing other related unmet needs as allowed by the policies adopted by the division pursuant to subsection (4) of this section in order to recover or rebuild from a declared disaster.
- (6) The division may seek, accept, and expend gifts, grants, or donations from private or public sources for the purposes of this section. The division shall transmit all money received through gifts, grants, or donations to the state treasurer, who shall credit the money to the fund.
- (7) (a) The disaster resilience rebuilding program fund is hereby created in the state treasury. The fund consists of money transferred to the fund in accordance with subsection (7)(d) of this section, any other money that the general assembly appropriates or transfers to the fund, and any gifts, grants, or donations credited to the fund pursuant to subsection (6) of this section.
- (b) The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund.
- (c) Money in the fund is continuously appropriated to the division for the purposes specified in this section and for the development of the disaster survivor portal described in section 24-33.5-1106 (4).
- (d) Three days after the effective date of this subsection (7)(d), the state treasurer shall transfer fifteen million dollars from the general fund to the disaster resilience rebuilding program fund created in subsection (7)(a) of this section.
- (8) The division and the department of local affairs shall collaborate with the Colorado energy office created in section 24-38.5-101 on the implementation of this section as set forth in section 24-38.5-115 (8).
- (9) On or before January 1, 2024, and on or before each January 1 thereafter, the division shall submit a report summarizing the program to the house of representatives transportation and local government committee and the senate local government committee, or their successor committees. Notwithstanding the requirement in section 24-1-136 (11)(a)(I), the requirement to submit the report required in this subsection (9) continues indefinitely.

SECTION 3. In Colorado Revised Statutes, add 24-38.5-115 as follows:

- **24-38.5-115.** Sustainable rebuilding program fund creation policies report definitions. (1) As used in this section, unless the context otherwise requires:
- (a) "ADMINISTRATOR" MEANS AN ENTITY OR ENTITIES THAT THE OFFICE CONTRACTS WITH PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION TO ADMINISTER THE PROGRAM.
- (b) "Eligible Business" means a business that owns a building or structure that was affected by a disaster emergency declared by the governor pursuant to section 24-33.5-704(4) and that meets the eligibility criteria established by the office in policies adopted pursuant to subsection (4) of this section.
- (c) "Eligible homeowner" means a person or persons who own a home that was affected by a disaster emergency declared by the governor pursuant to section 24-33.5-704(4) and that meets the eligibility criteria established by the office in policies adopted pursuant to subsection (4) of this section.
- (d) "Fund" means the sustainable rebuilding program fund established in subsection (7) of this section.
- (e) "Governmental entity" means any authority, county, municipality, city and county, district, or other political subdivision of the state; any tribal government with jurisdiction in Colorado; and any institution, department, agency, or authority of any of the foregoing.
- (f) "HOME" MEANS ANY RESIDENTIAL STRUCTURE, INCLUDING A MANUFACTURED, MOBILE, OR MODULAR HOME, WHETHER THE STRUCTURE IS OWNER-OCCUPIED OR IS A RENTAL PROPERTY.
- (g) "Low-income community member" means an individual or household meeting one or more of the following criteria:
- (I) A HOUSEHOLD INCOME THAT IS LESS THAN OR EQUAL TO TWO HUNDRED PERCENT OF THE FEDERAL POVERTY GUIDELINE;
- (II) A household income that is less than or equal to eighty percent of median income for the area; or
- (III) Qualification under income guidelines adopted by the department of human services pursuant to section 40-8.5-105.
- (h) "Office" means the Colorado energy office created in section 24-38.5-101.
- (i) "PROGRAM" MEANS THE SUSTAINABLE REBUILDING PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.
 - (2) (a) The office shall, in consultation with the department of local

AFFAIRS, ESTABLISH THE SUSTAINABLE REBUILDING PROGRAM AS A LOAN AND GRANT PROGRAM IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION AND THE POLICIES ESTABLISHED BY THE OFFICE PURSUANT TO SUBSECTION (4) OF THIS SECTION. THE PROGRAM MAY PROVIDE LOANS AND GRANTS FROM THE FUND TO ELIGIBLE HOMEOWNERS AND ELIGIBLE BUSINESSES SEEKING ASSISTANCE TO REBUILD HIGH-EFFICIENCY HOMES AND BUILDINGS AFTER A DISASTER EMERGENCY DECLARED BY THE GOVERNOR PURSUANT TO SECTION 24-33.5-704 (4).

- THE OFFICE MAY CONTRACT WITH A GOVERNMENTAL ENTITY, (b) COLORADO-BASED NONPROFIT GREEN BANK WITH A HISTORY OF AND EXPERTISE IN PROVIDING LOANS AND GRANTS FOR SUCCESSFUL ENERGY EFFICIENCY PROJECTS AND SERVICES, BUSINESS NONPROFIT ORGANIZATION, BANK, NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION, OR BUSINESS DEVELOPMENT CORPORATION OR OTHER ENTITY AS DETERMINED BY THE OFFICE TO ADMINISTER THE PROGRAM. IF THE OFFICE CONTRACTS WITH AN ENTITY OR ENTITIES TO ADMINISTER THE PROGRAM, THE OFFICE SHALL USE AN OPEN AND COMPETITIVE PROCESS PURSUANT TO THE STATE PROCUREMENT CODE, ARTICLES 101 TO 112 OF THIS TITLE 24, TO SELECT THE ENTITY OR ENTITIES. A CONTRACT WITH AN ADMINISTRATOR MAY INCLUDE AN ADMINISTRATION FEE ESTABLISHED BY THE OFFICE AT AN AMOUNT REASONABLY CALCULATED TO COVER THE ONGOING ADMINISTRATIVE COSTS OF THE OFFICE IN OVERSEEING THE PROGRAM. THE OFFICE MAY ADVANCE MONEY TO AN ENTITY UNDER A CONTRACT IN PREPARATION FOR ISSUING LOANS AND GRANTS AND ADMINISTERING THE PROGRAM.
- (3) A CONTRACT WITH AN ADMINISTRATOR MAY REQUIRE THE ADMINISTRATOR TO REPAY ALL LENDING CAPITAL THAT IS NOT COMMITTED TO LOANS OR GRANTS UNDER THE PROGRAM AND ALL PRINCIPAL AND INTEREST THAT IS REPAID BY BORROWERS UNDER THE PROGRAM AT THE END OF THE CONTRACT PERIOD IF, IN THE JUDGMENT OF THE OFFICE, THE ADMINISTRATOR HAS NOT PERFORMED SUCCESSFULLY UNDER THE TERMS OF THE CONTRACT. THE OFFICE MAY REDEPLOY MONEY REPAID UNDER THIS SUBSECTION (3) AS GRANTS OR LOANS UNDER THE PROGRAM OR THROUGH ANOTHER ADMINISTRATOR.
- (4) (a) The office or, if applicable, an administrator shall establish and publicize policies for the program. At a minimum, the policies must address:
- (I) The process and any deadlines for applying for and receiving a loan or grant under the program, including the information and documentation required for the application;
- (II) ELIGIBILITY CRITERIA FOR HOMEOWNERS AND BUSINESSES APPLYING TO THE PROGRAM;
 - (III) MAXIMUM ASSISTANCE LEVELS FOR LOANS AND GRANTS;
 - (IV) LOAN TERMS, INCLUDING INTEREST RATES AND REPAYMENT TERMS;
- (V) Any additional specifications or criteria for the uses of the grant or loan money allowed by subsection (5) of this section;

- (VI) Any reporting requirements for recipients, which must include the demographic data of each recipient aggregated by race, ethnicity, disability status, and income level;
- (VII) ANY PROGRAM FEES, INCLUDING ANY APPLICATION FEE OR ORIGINATION FEE, AND CLOSING COSTS;
 - (VIII) UNDERWRITING AND RISK MANAGEMENT POLICIES;
- (IX) EQUITABLE COMMUNITY OUTREACH AND EQUITABLE ACCESS TO PROGRAM INFORMATION, INCLUDING COMMUNICATIONS IN THE RELEVANT LANGUAGES OF THE COMMUNITY AND EQUITABLE HEARING, SIGHT, AND PHYSICAL ACCESSIBILITY; AND
 - (X) ANY ADDITIONAL POLICIES NECESSARY TO ADMINISTER THE PROGRAM.
- (b) The policies required by this subsection (4) shall be developed and implemented with a goal of ensuring that low-income community members who are most impacted by climate change receive equitable support and resources.
 - (5) LOANS AND GRANTS RECEIVED FROM THE PROGRAM MAY BE USED:
- (a) TO REBUILD OR REHABILITATE A HOME OR BUILDING WITH A HIGHLY EFFICIENT HEAT PUMP FOR SPACE OR WATER HEATING;
- (b) To achieve advanced energy certifications, including from Energy Star, the Passive House Institute U.S., the United States department of energy zero energy ready homes, or other similar programs, as determined by the office;
- (c) To achieve net zero energy or net zero carbon buildings with the addition of renewable energy generation;
- (d) To assist with the costs of installing battery storage and electric vehicle charging stations;
- (e) In a jurisdiction that has adopted the most recent edition of the international energy conservation code or energy requirements that exceed the requirements of that code, to assist with the incremental costs of meeting the requirements of that code compared to the previous edition of the code, taking into account the funding available from utilities and from the law, and ordinance coverage of any available homeowners insurance; and
 - (f) For other similar uses as determined by the office.
- (6) The office May Seek, accept, and expend gifts, grants, or donations from private or public sources for the purposes of this section. The office shall transmit all money received through gifts, grants, or donations to the state treasurer, who shall credit the money to the fund.

- (7) (a) The sustainable rebuilding program fund is hereby created in the state treasury. The fund consists of money transferred to the fund in accordance with subsection (7)(d) of this section, any other money that the general assembly appropriates or transfers to the fund, and any gifts, grants, or donations credited to the fund pursuant to subsection (6) of this section.
- (b) The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund.
- (c) Money in the fund is continuously appropriated to the office for the purposes specified in this section and for the development of the disaster survivor portal described in section 24-33.5-1106 (4).
- (d) Three days after the effective date of this subsection (7)(d), the state treasurer shall transfer twenty million dollars from the general fund to the sustainable rebuilding program fund created in subsection (7)(a) of this section.
- (8) In implementing this section, the office shall collaborate with the department of local affairs created in section 24-1-125 in order to offer streamlined customer service for the sustainable rebuilding program and the disaster resilience rebuilding program created in section 24-32-134.
- (9) On or before January 1, 2024, and on or before each January 1 thereafter, the office shall submit a report summarizing the program to the house of representatives energy and environment committee and the senate transportation and energy committee, or their successor committees. Notwithstanding the requirement in section 24-1-136 (11)(a)(I), the requirement to submit the report required in this subsection (9) continues indefinitely.
- **SECTION 4.** In Colorado Revised Statutes, **add** article 38.8 to title 24 as follows:

ARTICLE 38.8 Statewide Climate Preparedness Roadmap

24-38.8-101. Legislative declaration. (1) The General assembly hereby finds and declares that:

- (a) Ensuring a thriving future for the state of Colorado and its citizens requires a collaborative, coordinated, and proactive statewide effort to identify, plan for, address, and avoid any detrimental impacts of climate change. Avoiding future disasters, and detrimental impacts to our natural systems, built environment, and people, by means of thorough and coordinated planning and preparedness will be more efficient and cost effective than short-term solutions.
 - (b) Undertaking a data-driven, comprehensive, and aggregate analysis

OF POPULATION AND ENVIRONMENTAL TRENDS TO UNDERSTAND THE LIKELY IMPACT ON COLORADO'S INFRASTRUCTURE, PEOPLE, LANDSCAPES, ECOSYSTEMS, AND COMMUNITIES WILL AID IN INFORMING THE STATE AND LOCAL GOVERNMENTS ABOUT POTENTIAL THREATS; ALIGNING RESOURCES; IDENTIFYING GAPS IN POLICY, COORDINATION, OR COMMUNICATION; AND DEVELOPING EFFICIENT, EFFECTIVE, AND EQUITABLE SOLUTIONS.

- (c) A comprehensive, strategic plan for how Colorado can grow in a manner that achieves the state's climate mitigation goals and adapts to a warming climate will provide the state with a path for becoming more climate-resilient, affordable, inclusive, and economically competitive.
- (d) In 2015, the state of Colorado wisely undertook a long-term, comprehensive, living approach to evaluating and planning the future of the state's water resources through the development of the Colorado water plan. Much as water is the lifeblood of the state, Colorado's climate future is vital to the health of Colorado communities. The state, therefore, should make the same effort to address its climate future as it does to address water conservation given the demonstrated and increasing impacts of climate change on the state's communities, infrastructure, and natural systems.
- (e) The state of Colorado is expected to continue to grow, adding more than one million eight hundred thousand new people between 2020 and 2050. This population growth will lead to dynamic shifts in how the movement of goods and people impacts statewide resources, systems, communities, economies, and the state's public lands, air, water resources, and wildlife resources.
- (f) While Colorado Grows, a changing climate is already showing increasingly long-term detrimental effects on our water resources, public lands, wildlife populations, and forest health, as well as our public infrastructure, built environment, and public health.
- (g) The number of disasters around the world has increased by a factor of five over the previous fifty years, and the rate of increase is expected to continue and accelerate. Colorado continues to experience significant climate change induced natural disasters, including wildfires, drought, flash flooding, and mudslides that have resulted in significant increases in the use of state resources and work time expended by state employees. By 2050, without significant interventions, the average area of our state burned by fire each year is expected to increase anywhere from fifty percent to two hundred percent.
- (h) The general assembly, through House Bill 19-1261, enacted in 2019, has set goals to ensure that the state will reduce greenhouse gas pollution. Relative to 2005 levels, the state has set goals to reduce greenhouse gas pollution statewide by twenty-six percent by 2025, fifty percent by 2030, and ninety percent by 2050.
 - (i) The state's natural systems, lands, waters, air, and wildlife face

SIGNIFICANT IMPACTS FROM CLIMATE CHANGE AND CHANGING DEMOGRAPHICS, AND REPRESENT FOUNDATIONAL ELEMENTS OF COLORADO'S CHARACTER, STATEWIDE ECONOMIES, AND LOCAL ECONOMIES. A COMPREHENSIVE APPROACH TO CLIMATE PREPAREDNESS MUST ADDRESS THE NEEDS OF THE STATE'S NATURAL SYSTEMS, LANDS, WATERS, AIR, AND WILDLIFE TO ENSURE THRIVING SYSTEMS AND THEIR LONG-TERM HEALTH. A COMPREHENSIVE APPROACH TO CLIMATE PREPAREDNESS SHOULD SUPPORT THE CRITICAL ROLE THAT VOLUNTARY AND INCENTIVE-BASED CONSERVATION MEASURES PLAY IN SUPPORTING AGRICULTURAL PRODUCERS AND PRIVATE LANDOWNERS WHILE ACHIEVING BROADER ECOSYSTEM BENEFITS. A COMPREHENSIVE APPROACH TO CLIMATE PREPAREDNESS SHOULD ALSO ADDRESS THE NEED TO ENSURE RESILIENT AND CONNECTED LANDSCAPES THAT ARE CRITICALLY IMPORTANT FOR ECOSYSTEM HEALTH IN FACING THE IMPACTS OF CLIMATE CHANGE.

- (j) Following passage of the federal "American Rescue Plan Act", the United States congress has passed the once-in-a-generation, federal "Infrastructure Investment and Jobs Act" that will directly provide over three billion dollars to Colorado for critical infrastructure and other areas of needed investment over the next five years. These rare, one-time investments will have a profound impact on the way the state grows. These investments should be planned and undertaken in concert with the goals articulated by House Bill 19-1261, in a manner that seeks to avoid future disasters and support climate adaptation needs, and are assisted by a coordinated effort.
- (k) The state can realize the best outcomes in preparing for climate and demographic changes by promoting strong partnerships with local governments and community partners; identifying needs, support, and incentives for local communities; and fostering coordination among local governments to achieve regional and statewide benefits.
- (1) The state must ensure that equity, environmental justice, and representation are central considerations of state preparedness, planning, coordination, and outcomes. Equity must be a key value in preparing for a world that is impacted by climate change and ever increasing disasters to ensure the representation of those communities that stand to be the most affected by a changing climate.
- **24-38.8-102. Office of climate preparedness creation powers and duties.** (1) The office of climate preparedness, referred to in this article 38.8 as the "office", is created in the governor's office. The office shall:
- (a) Coordinate disaster recovery efforts for the governor's office, as determined by the governor and consistent with sections 24-33.5-704 (6.5) and 24-33.5-705.2, seeking to integrate climate resilience and adaptation into recovery efforts; and
- (b) Develop, publish, and implement the statewide climate preparedness roadmap required pursuant to section 24-38.8-103 (1).
 - (2) THE OFFICE MAY ESTABLISH INTERAGENCY AND INTERGOVERNMENTAL TASK

Forces and community advisory groups, with particular attention to the inclusion, accessibility, and engagement of disproportionately impacted communities, as defined in section 24-4-109(2)(b)(II), to inform and support the work of the office. The office may promote community engagement and information sharing and further efforts to implement the recommendations of the roadmap.

- (3) THE OFFICE SHALL DIRECT THE IMPLEMENTATION OF THE ROADMAP, INCLUDING ALL SUBSEQUENT UPDATES, AND MAY ESTABLISH CRITERIA FOR EVALUATING EXISTING PROGRAMS IN ALL OTHER STATE AGENCIES TO ENSURE IMPLEMENTATION OF THE ROADMAP AND ITS GOVERNING PRINCIPLES.
- 24-38.8-103. Development of statewide climate preparedness roadmap. (1) No later than December 1, 2023, the office shall prepare and publish and, every three years thereafter, update a long-term, statewide climate preparedness strategic plan and roadmap, referred to in this article 38.8 as the "roadmap". The roadmap must integrate and include information from all existing state plans that address climate mitigation, adaptation, resiliency, and recovery, including new or updated plans completed after the initial publication of the roadmap. The roadmap must build upon this previous body of work, seek to align existing plans, and identify any gaps in policy, planning, or resources. The roadmap serves to update any outdated assumptions, demographic information, and statewide goals in existing plans with the most recent and available information. The roadmap must identify strategies for how the state will grow in population and continue to develop in a manner that:
- (a) IS IN ALIGNMENT WITH STATE GREENHOUSE GAS REDUCTION GOALS AND GREENHOUSE GAS ROADMAP AND CLIMATE MITIGATION STRATEGIES, PARTICULARLY IN THE NATURAL AND WORKING LANDS, LAND USE DEVELOPMENT, WATER QUALITY AND QUANTITY, AND TRANSPORTATION SECTORS OF THE STATE;
- (b) Adapts to a warming climate, particularly utilizing ecosystem-based adaptation strategies and best available science, to ensure the long-term health of the state's lands, people, waters, wildlife, native biodiversity, and natural systems; increase the resilience of Colorado's species, habitats, ecosystems, and natural infrastructure to the effects of climate change; and inform the development of statewide conservation goals, in ongoing coordination with the division of parks and wildlife in the department of natural resources created in section 33-9-104 (1), the department of natural resources created in section 24-33-101 (1), and the department of agriculture created in section 35-1-103;
- (c) Maximizes the use of resiliency principles for the state's built environment to strengthen the state's infrastructure and minimize the impacts of natural disasters on communities in coordination with the department of public safety created in section 24-33.5-103, the department of local affairs created in section 24-1-125, and the Colorado resiliency office created in section 24-32-122; and

(d) Actively takes into account that disproportionately impacted communities, as defined in section 24-4-109 (2)(b)(II), are particularly vulnerable to the impacts of climate change and identifies opportunities for projects, policies, and strategies to protect the state's most vulnerable residents with the goal of attaining a more equitable future.

SECTION 5. In Colorado Revised Statutes, add 10-1-143 as follows:

- **10-1-143.** Study on homeowner's insurance repeal. (1) The commissioner shall conduct a study and prepare a report concerning methods to address the stability, availability, and affordability of homeowner's insurance for Coloradans with a focus on stabilizing the current market. The study must take into consideration:
 - (a) Current Market conditions, including:
 - (I) AVAILABILITY OF COVERAGE BY COUNTY OR ZIP CODE;
 - (II) AFFORDABILITY OF COVERAGE BY PROPERTY VALUE; AND
 - (III) IDENTIFICATION OF AREAS OF THE STATE WITH PARTICULAR RISK CONCERNS;
 - (b) POTENTIAL PREMIUM IMPACTS TO CONSUMERS; AND
- (c) Measures and programs to ensure the long-term sustainability and availability of homeowner's insurance coverage.
- (2) (a) The commissioner may contract with a third party to conduct the study required in subsection (1) of this section. The commissioner is not required to comply with the "Procurement code", articles 101 to 112 of title 24, for purposes of this subsection (2), but shall use a competitive process pursuant to the state procurement code, articles 101 to 112 of title 24, to select a third party to conduct the study.
- (b) The commissioner and any third party conducting the study shall engage with and seek input from carriers, consumer groups, and other interested parties.
- (c) Information submitted by the Carriers to the division or third-party contractor selected to conduct the study in accordance with this section is subject to public inspection only to the extent allowed under the "Colorado Open Records Act", part 2 of article 72 of title 24. The division and third-party contractor shall not disclose trade-secret, confidential, or proprietary information to any person who is not otherwise authorized to access such information.
- (3) The commissioner shall submit the report required by this section to the house of representatives business affairs and labor committee, the senate business, labor, and technology committee, or their successor committees, and the joint budget committee. The report may be considered, as necessary, in the budgeting process. The report may

INCLUDE RECOMMENDATIONS FOR OTHER PROPERTY INSURANCE MARKETS THAT NEED TO BE STUDIED.

- (4) This section is repealed, effective July 1, 2023.
- **SECTION 6.** In Colorado Revised Statutes, 24-33.5-1106, **amend** (2); and **add** (3) and (4) as follows:
- **24-33.5-1106. Grants to individuals.** (2) Notwithstanding any other law or rule, the governor is authorized to make financial grants to meet disaster-related necessary expenses or serious needs of individuals or families adversely affected by a major disaster which cannot otherwise adequately be met from other means of assistance. which grants shall not exceed five thousand dollars in the aggregate to an individual or family in any single major disaster declared by the governor.
- (3) The office of emergency management created in 24-33.5-705 shall coordinate with the governor's office, federal agencies, other state agencies, local governments, and philanthropic entities as determined by the office to ensure disaster individual assistance is delivered in a coordinated effort and to avoid duplication of benefits.
- (4) The office of emergency management may, in collaboration with the department of local affairs created in section 24-1-125 and the Colorado energy office created in section 24-38.5-101, implement and maintain a disaster survivor portal for disaster survivors to apply for approved state disaster individual assistance. The portal may provide disaster survivors with a coordinated method to access appropriate benefits, including federal benefit programs, approved state disaster individual assistance benefits, the disaster resilience rebuilding program created in 24-32-134, and the sustainable rebuilding program created in 24-38.5-115. The portal may ensure equitable access to program information including communications in the relevant languages of the community and equitable hearing, sight, and physical accessibility. Local governments and philanthropic entities may operate their own disaster survivor portals in coordination with the office of emergency management.

SECTION 7. In Colorado Revised Statutes, 24-33.5-1203, add (1)(x) as follows:

- **24-33.5-1203. Duties of division.** (1) The division shall perform the following duties:
- (x) Establish and maintain a statewide fire dispatch center to ensure rapid response of fire-based resources to emerging wildfire and all-hazard incidents in support of local, county, state, and federal agencies in Colorado.

SECTION 8. In Colorado Revised Statutes, 24-33.5-1228, **amend** (3)(c)(I); and **add** (2.5)(b)(V) and (3)(c)(III) as follows:

24-33.5-1228. Colorado firefighting air corps - creation - powers - aircraft

acquisitions required - center of excellence - unmanned aircraft systems study and pilot program - Colorado firefighting air corps fund - creation - report - rules. (2.5) (b) The center of excellence shall perform, but is not limited to, the following functions:

- (V) DEVELOP AND IMPLEMENT A COLORADO TEAM AWARENESS KIT FOR INTERESTED PUBLIC SAFETY AGENCIES IN THE STATE.
- (3) (c) (I) EXCEPT AS PROVIDED IN SUBSECTION (3)(c)(III) OF THIS SECTION, the division shall use the money in the Colorado firefighting air corps fund for the purposes of subsection (2.5) of this section and for paying the direct and indirect costs of maintaining the Colorado firefighting air corps, including expenses associated with acquisition, retrofitting, labor, equipment, supply, transportation, air, mobilization, repair, maintenance, and demobilization.
- (III) WITHIN THREE DAYS OF THE EFFECTIVE DATE OF THIS SUBSECTION (3)(c)(III), THE STATE TREASURER SHALL TRANSFER FIFTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE DISASTER EMERGENCY FUND CREATED IN SECTION 24-33.5-706 (2)(a) TO THE COLORADO FIREFIGHTING AIR CORPS FUND CREATED IN SUBSECTION (3)(a) OF THIS SECTION. NOTWITHSTANDING ANY OTHER REQUIREMENT OF THIS SECTION, THE DIVISION SHALL USE THE MONEY TRANSFERRED PURSUANT TO THIS SUBSECTION (3)(c)(III) FOR THE FOLLOWING PURPOSES IN FISCAL YEAR 2021-22 AND IN FISCAL YEAR 2022-23:
- (A) Establishing and maintaining a statewide fire dispatch center to ensure rapid response of fire-based resources to emerging wildfire and all-hazard incidents in support of local, county, state, and federal agencies in Colorado in accordance with section 24-33.5-1203 (1)(x);
- (B) THE LEASING BY THE DIVISION OF APPROPRIATE AVIATION RESOURCES CONFIGURED FOR WILDFIRE SUPPRESSION, FOR THE OPERATIONAL COSTS ASSOCIATED WITH THE USE OF THE LEASED AND PURCHASED AVIATION RESOURCES, AND THE COSTS ASSOCIATED WITH LEASING, PURCHASING, OR OWNING CAPITAL INFRASTRUCTURE TO HOUSE THE AVIATION RESOURCES; AND
- (C) Expanding and further implementing the Colorado team awareness kit systems in accordance with subsection (2.5)(b)(V) of this section.
- **SECTION 9.** In Colorado Revised Statutes, 24-33.5-706, **amend** (2)(a); and **add** (4.7) as follows:
- **24-33.5-706. Disaster emergency fund established financing legislative intent.** (2) (a) A disaster emergency fund is hereby established. The fund consists of any moneys MONEY appropriated by the general assembly, moneys MONEY transferred pursuant to subsections (2.5) and (4)(b) of this section, and moneys MONEY to reimburse expenditures from the fund that are transmitted to the state treasurer and credited to the fund. Moneys MONEY in the disaster emergency fund shall remain in the fund until expended or until transferred pursuant to subsection (2.5)(c), (4.3), or (4.5), or (4.7) of this section or SECTION 24-33.5-1228 (3)(c)(III).
 - (4.7) Three days after the effective date of this subsection (4.7), the

STATE TREASURER SHALL TRANSFER TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS FROM THE DISASTER EMERGENCY FUND TO THE CAPITAL CONSTRUCTION FUND CREATED IN SECTION 24-75-302 for use by the division of fire prevention and control created in section 24-33.5-1201 for Capital construction related to aviation resources for wildfire suppression.

SECTION 10. In Colorado Revised Statutes, 24-75-302, add (13) as follows:

- **24-75-302.** Capital construction fund capital assessment fees calculation information technology capital account repeal. (13) The fund includes money transferred pursuant to section 24-33.5-706 (4.7).
- **SECTION 11. Appropriation.** (1) For the 2022-23 state fiscal year, \$472,137 is appropriated to the office of the governor. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:
- (a) \$426,629 for use by the office of the governor for the office of climate preparedness related to governor's office, which amount is based on an assumption that the office will require an additional 2.7 FTE;
- (b) \$30,722 for use by the Colorado energy office related to sustainable building program; and
- (c) \$14,786 for the purchase of legal services related to the Colorado energy office.
- (2) For the 2022-23 state fiscal year, \$14,786 is appropriated to the department of law. This appropriation is from reappropriated funds received from the office of the governor under subsection (1)(c) of this section. To implement this act, the department of law may use this appropriation to provide legal services for the Colorado energy office.
- (3) For the 2022-23 state fiscal year, \$233,837 is appropriated to the department of local affairs. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:
- (a) \$219,052 for use by the division of local government for disaster resilience rebuilding program related to community services, which amount is based on an assumption that the division will require an additional 2.8 FTE; and
 - (b) \$14,785 for the purchase of legal services.
- (4) For the 2022-23 state fiscal year, \$14,785 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of local affairs under subsection (1)(b) of this section. To implement this act, the department of law may use this appropriation to provide legal services for the department of local affairs.
- (5) For the 2022-23 state fiscal year, \$91,937 is appropriated to the department of agriculture for use by the agricultural services division. This appropriation is from the general fund and is based on an assumption that the division will require

an additional 0.9 FTE. To implement this act, the division may use this appropriation for the conservation services division.

- (6) For the 2022-23 state fiscal year, \$107,307 is appropriated to the department of natural resources for use by the division of parks and wildlife. This appropriation is from the general fund and is based on an assumption that the division will require an additional 0.9 FTE. To implement this act, the division may use this appropriation for wildlife operations.
- (7) For the 2022-23 state fiscal year, \$19,334 is appropriated to the department of personnel for use by the division of capital assets. This appropriation is from the Colorado firefighting air corps fund created in section 24-33.5-1228 (3)(a), C.R.S. To implement this act, the division may use this appropriation for vehicle replacement lease/purchase for the department of public safety.
- (8) For the 2022-23 state fiscal year, \$230,000 is appropriated to the department of regulatory agencies for use by the division of insurance. This appropriation is from the division of insurance cash fund created in section 10-1-103 (3), C.R.S. To implement this act, the division may use this appropriation for personal services.
- **SECTION 12. Capital construction appropriation.** For the 2022-23 state fiscal year, \$2,700,000 is appropriated to the department of public safety. This appropriation is from the capital construction fund created in section 24-75-302 (1)(a), C.R.S. To implement this act, the department may use this appropriation for capital construction related to aviation resources for wildfire suppression.
- **SECTION 13. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: May 17, 2022